

IC 8-22-3

Chapter 3. Local Airport Authorities

IC 8-22-3-0.3

Transfer of board of aviation commissioners after January 25, 1985; applicable law

Sec. 0.3. (a) This section applies to each board of aviation commissioners from which powers, rights, obligations, functions, and assets are to be transferred, under section 33 of this chapter, to an airport authority established by P.L.100-1985.

(b) The provisions of section 33 of this chapter governing the transfer of assets apply to all assets held for the use of the board of aviation commissioners on January 25, 1985. Assets held for the use of the board of aviation commissioners on that date may not be transferred for the use of any other board or department of local government after that date, except as provided in section 3 of this chapter.

As added by P.L.220-2011, SEC.203.

IC 8-22-3-1

Establishment; jurisdiction; name

Sec. 1. Whenever the fiscal body of one (1) or more eligible entities, acting individually or jointly, adopts an ordinance or a resolution in favor of the establishment of an airport authority under this chapter, there is established an airport authority. The authority has jurisdiction over a district with boundaries coterminous with the jurisdictional boundaries of the entity or entities adopting the ordinance or resolution. The authority must have a name including the words "airport authority."

As added by Acts 1980, P.L.8, SEC.73.

IC 8-22-3-1.1

Establishment of airport authorities in Allen County

Sec. 1.1. (a) Notwithstanding section 1 of this chapter, an airport authority is established in Allen County.

(b) For the purposes of this chapter, an authority established under this section shall be treated as if it had been established by an ordinance of the fiscal body of the county. However, section 2 of this chapter does not apply to such an authority.

(c) The name of an authority established under this section is the "Fort Wayne-Allen County Airport Authority".

As added by P.L.100-1985, SEC.1. Amended by P.L.12-1992, SEC.67; P.L.119-2012, SEC.98.

IC 8-22-3-2

Remonstrance against establishment of authority; petition; certification

Sec. 2. (a) A remonstrance against the establishment of an authority may be made by petition of the registered voters of the district. The petition must be in writing, must bear the signature, date,

and address of residence of the remonstrator, and must be filed in the office of the circuit court clerk of the county containing the greatest percentage of population of the district not later than thirty (30) days following the adoption of the ordinance. If at least the number of the registered voters of the district required under IC 3-8-6-3 to place a candidate on the ballot, as certified by the clerk, remonstrate, the clerk shall certify the question under IC 3-10-9 to the county election board of each county in which the district is located. The question of the establishment of an authority shall be submitted to the voters of the district at the next primary or general election at which the question can be placed on the ballot under IC 3-10-9-3. The question shall be placed on the ballot in the form prescribed by IC 3-10-9-4 and must state: "Shall the airport authority be established?"

(b) Upon certification by the clerk that a remonstrance was not filed by the required number of registered voters and in the time and manner provided, or that the question was submitted to the voters and received the affirmative vote of a majority of those voting upon the question, the authority is established effective as of the next January 1 or July 1 following the certification, whichever date is earlier. The certification by the clerk shall be submitted to the fiscal body of each entity adopting the ordinance or resolution under section 1 of this chapter.

As added by Acts 1980, P.L.8, SEC.73. Amended by P.L.10-1988, SEC.218; P.L.12-1995, SEC.105.

IC 8-22-3-3

Executive and legislative powers of board

Sec. 3. The board of an authority shall exercise the executive and legislative powers of the authority as provided by this chapter.

As added by Acts 1980, P.L.8, SEC.73. Amended by Acts 1981, P.L.11, SEC.68.

IC 8-22-3-4

Members of board

Sec. 4. (a) Except as provided in subsections (b), (c), (d), (e), (f), and (g) and section 4.3 of this chapter, the board consists of four (4) members, whenever the fiscal body of an eligible entity, acting individually, establishes an authority. Except as provided in subsection (h) and section 4.5(f) of this chapter, the members of the board shall be appointed by the executive of the entity, and not more than two (2) members of the board may be of the same political party.

(b) In the event that two (2) cities or one (1) city and one (1) town act jointly to establish an authority under this chapter, the board consists of five (5) members. The executive of each city or town shall each appoint two (2) members to the board. The county executive shall appoint one (1) member to the board. Each member appointed by an executive must be of a different political party than the other appointed member.

(c) In the event that an authority is established by a city or town and a county, acting jointly, the board consists of six (6) members.

The executive of each entity shall appoint three (3) members. Not more than two (2) members appointed by each executive may be of the same political party.

(d) In the event that an authority was established under IC 19-6-3 (before its repeal on April 1, 1980) the board consists of five (5) members. Three (3) members of the board shall be appointed by the mayor of the city, and two (2) members of the board shall be appointed by the board of commissioners of the county. Not more than two (2) members representing the city may be members of the same political party, and not more than one (1) member representing the county may be a member of the same political party.

(e) Except as provided in section 4.1(b)(3) of this chapter, the county executive of each Indiana county that is adjacent to a county establishing an authority under this chapter and in which the authority owns real property may appoint one (1) advisory member to the board. An advisory member who is appointed under this subsection:

- (1) must be a resident of the adjacent county;
- (2) may not vote on any matter before the board;
- (3) serves at the pleasure of the appointing authority; and
- (4) serves without compensation or payment for expenses.

(f) The board of an authority established in a city having a population of more than sixteen thousand four hundred (16,400) but less than seventeen thousand (17,000) consists of five (5) members. The members of the board shall be appointed by the executive of the eligible entity, and not more than three (3) members of the board may be of the same political party.

(g) This subsection does not apply to a board subject to subsection (b), (c), (d), or (f). Notwithstanding subsection (a), the fiscal body of an eligible entity may adopt an ordinance or a resolution providing that the board consists of five (5) members. If the board consists of five (5) members, not more than three (3) members may be of the same political party.

(h) If an airport authority is established under this section by the fiscal body of Clark County, the board must consist of four (4) members. Subject to section 4.5(f) of this chapter (concerning the initial members of the board):

- (1) three (3) of the members of the board shall be appointed by the county executive of Clark County; and
- (2) one (1) of the members of the board shall be appointed by the legislative body of the town of Sellersburg.

The board may consist of five (5) members if the fiscal body of Clark County adopts an ordinance or resolution as provided in subsection (g). Subject to section 4.5(f) of this chapter (concerning the initial members of the board), if the board consists of five (5) members, three (3) of the members of the board shall be appointed by the county executive of Clark County, one (1) of the members of the board shall be appointed by the fiscal body of Clark County, and one (1) of the members of the board shall be appointed by the legislative body of the town of Sellersburg.

As added by Acts 1980, P.L.8, SEC.73. Amended by P.L.101-1985, SEC.1; P.L.333-1989(ss), SEC.3; P.L.3-1990, SEC.37; P.L.116-1995, SEC.3; P.L.111-2001, SEC.1; P.L.170-2002, SEC.69; P.L.134-2005, SEC.4; P.L.119-2012, SEC.99; P.L.84-2013, SEC.1.

IC 8-22-3-4.1

Members of board for county having consolidated city

Sec. 4.1. (a) This section applies only to the board of an airport authority established for a county having a consolidated city.

(b) The board consists of members appointed as follows:

(1) The mayor of the consolidated city shall appoint five (5) members. Each member appointed under this subdivision must be a resident of the county having the consolidated city.

(2) The majority leader of the legislative body of the county having the consolidated city shall appoint one (1) member. The member appointed under this subdivision must be a resident of the county having the consolidated city.

(3) The county executive of each Indiana county that fulfills all of the following requirements shall each appoint one (1) member:

(A) The county is adjacent to the county having the consolidated city.

(B) The county has a population of:

(i) more than one hundred forty thousand (140,000) but less than one hundred fifty thousand (150,000);

(ii) more than seventy thousand (70,000) but less than seventy thousand fifty (70,050); or

(iii) more than two hundred seventy thousand (270,000) but less than three hundred thousand (300,000).

(C) The authority owns real property in the county.

The county executive of a county represented on the board under this subdivision may not appoint an advisory member under section 4(e) of this chapter.

Not more than three (3) members appointed under subdivision (1) may be members of the same political party.

(c) The member of the board appointed under subsection (b)(2) must also be a resident of a township that:

(1) is located in the county having the consolidated city; and

(2) has a population of:

(A) less than fifty thousand (50,000); or

(B) more than one hundred thirty-three thousand (133,000) but less than one hundred forty thousand (140,000).

(d) A member of the board appointed under subsection (b)(3)(B)(i) must be a resident of a township:

(1) located in the county making the appointment; and

(2) having a population of more than twenty-five thousand (25,000) but less than twenty-eight thousand (28,000).

(e) The county executive of a county that is not otherwise represented on the board and that is located not more than one thousand two hundred (1,200) feet from a certified air carrier airport

that is owned or operated by the authority may appoint one (1) advisory member to the board. An advisory member appointed under this subsection:

- (1) must be a resident of:
 - (A) the county making the appointment; and
 - (B) one (1) of the two (2) townships in the county located nearest to the airport;
- (2) may not vote on any matter before the board;
- (3) serves at the pleasure of the appointing authority; and
- (4) serves without compensation or payment for expenses.
- (f) A member of the board holds office for four (4) years and until the member's successor is appointed and qualified.
- (g) If a vacancy occurs in the board, the authority that appointed the member that vacated the board shall appoint an individual to serve for the remainder of the unexpired term.
- (h) A board member may be reappointed to successive terms.
- (i) A board member may be impeached under the procedure provided for the impeachment of county officers.
- (j) A board member appointed under subsection (b)(3) may not vote on a matter before the board relating to imposing, increasing, or decreasing property taxes in the county having the consolidated city.
As added by P.L.116-1995, SEC.4. Amended by P.L.170-2002, SEC.70; P.L.83-2004, SEC.1; P.L.139-2011, SEC.3; P.L.119-2012, SEC.100.

IC 8-22-3-4.2

Authority established under IC 8-22-3-1.1; members of board

Sec. 4.2. In the event that an authority is established under section 1.1 of this chapter, the board consists of six (6) members. Three (3) members of the board shall be appointed by the board of commissioners of the county, and three (3) members of the board shall be appointed by the mayor of the second class city. Not more than two (2) members appointed by the board of commissioners of the county may be members of the same political party and not more than two (2) members appointed by the mayor of the second class city may be members of the same political party.

As added by P.L.100-1985, SEC.2.

IC 8-22-3-4.3

Members of certain boards; annual financial audit; annual report

Sec. 4.3. (a) This section applies only to the board of an airport authority that:

- (1) is not located in a county containing a consolidated city;
- (2) is established by a city; and
- (3) has entered into a federal interstate compact.
- (b) The board of an airport authority described in subsection (a) consists of members appointed as follows:
 - (1) Four (4) members appointed by the executive of the city in which the airport is located. Not more than two (2) members appointed under this subdivision may be members of the same

political party.

(2) One (1) member appointed by the executive of the county in which the airport is located.

(3) One (1) member appointed by the executive of the county (other than the county in which the airport is located) that is closest geographically to the airport.

(4) One (1) member appointed by the governor.

(c) A member of the board holds office for four (4) years and until the member's successor is appointed and qualified.

(d) If a vacancy occurs in the board, the authority that appointed the member that vacated the board shall appoint an individual to serve for the remainder of the unexpired term.

(e) A board member may be reappointed to successive terms.

(f) A board member may be impeached under the procedure provided for the impeachment of county officers.

(g) The board member appointed under subsection (b)(4) serves as the president of the board.

(h) On September 1, 2013, the term of each member serving on the board of the airport authority originally established by the city of Gary is terminated. The appointing authorities required to make appointments to the board under this section shall make new appointments to the board as soon as possible after August 31, 2013.

(i) Each person appointed by an appointing authority under subsection (b) must have knowledge of and at least five (5) years professional work experience in at least one (1) of the following:

(1) Aviation management at an executive level.

(2) Regional economic development.

(3) Business or finance.

(j) A person appointed by an appointing authority under subsection (b) may not personally have, or be employed by or have an ownership interest in an entity that has, a significant contractual or business relationship with the airport authority.

(k) The board of an airport authority described in subsection (a) shall contract with a certified public accountant for an annual financial audit of the airport authority. The certified public accountant may not be selected without review of the accountant's proposal and approval of the accountant by the state board of accounts. The certified public accountant may not have a significant financial interest, as determined by the board of the airport authority, in a project, facility, or service owned by, funded by, or leased by or to the airport authority. The certified public accountant shall present the annual financial audit not later than four (4) months after the end of the airport authority's fiscal year. The certified public accountant shall also perform a study and evaluation of the airport authority's internal accounting controls and shall express an opinion on the controls that were in effect during the audit period. The board of the airport authority shall pay the cost of the annual financial audit. In addition, the state board of accounts may at any time conduct an audit of any phase of the operations of the airport authority. The airport authority shall pay the cost of any audit by the state board of

accounts.

(l) The board of the airport authority shall, not later than four (4) months after the end of the airport authority's fiscal year, submit an annual report of the board's activities for the preceding fiscal year to:

- (1) the budget agency, for review by the budget committee; and
- (2) the legislative council.

An annual report submitted under this section to the legislative council must be in an electronic format under IC 5-14-6. The annual report must set forth a complete operating and financial statement of the airport authority for the airport authority's preceding fiscal year.
As added by P.L.134-2005, SEC.5. Amended by P.L.230-2013, SEC.4.

IC 8-22-3-4.4

General assembly findings regarding board of Indianapolis Airport Authority

Sec. 4.4. The general assembly finds that development of the certified air carrier airport, owned and operated by the Indianapolis Airport Authority, may impact persons residing outside Marion County but within close proximity to the airport. In order to address the concerns of these persons, the general assembly finds that it is appropriate to appoint to the board of the Indianapolis Airport Authority (described in section 4.1 of this chapter) a member from a county, described in section 4.1(e) of this chapter, that is located in close proximity to a certified air carrier airport described in this section.

As added by P.L.220-2011, SEC.204.

IC 8-22-3-4.5

Members of a board established by Clark County

Sec. 4.5. (a) This section applies only to an airport authority established under this chapter by the fiscal body of Clark County.

(b) The following apply to the authority:

- (1) The authority shall be named the South Central Regional Airport Authority.
- (2) The budget and tax levies of the authority must be approved by the fiscal body of Clark County as provided in IC 6-1.1-17-20.
- (3) The authority may not issue bonds or enter into a lease payable in whole or in part from property taxes unless the authority obtains the approval of the fiscal body of Clark County as provided in IC 6-1.1-17-20.5.

(c) The board must at all times maintain liability insurance coverage for the authority that provides general liability coverage in an amount determined sufficient by the board.

(d) The board must issue for each year an annual report that includes at least the following:

- (1) The reports submitted to the board under section 21 of this chapter by the treasurer of the authority for the year.
- (2) An audited balance sheet, an audited cash flow statement,

and an audited income statement for the year.

(3) Minutes of each meeting of the board held during the year.

(4) A report of any pending or potential litigation involving the authority or the board, including a discussion of potential loss resulting from the pending or potential litigation.

(e) The board must each year present the annual report issued under subsection (d):

(1) at a public meeting of the county executive of Clark County;

(2) at a public meeting of the fiscal body of Clark County; and

(3) at a public meeting of the legislative body of the town of Sellersburg.

(f) Notwithstanding sections 4 and 5 of this chapter or any other law, the following apply to the membership of the board of the authority:

(1) Subject to subdivision (2), the individuals serving as members of the Clark County board of aviation commissioners at the time the authority is established shall become the initial members of the board of the authority.

(2) If:

(A) the Clark County board of aviation commissioners consists of five (5) members at the time the authority is established; and

(B) the board of the authority consists of only four (4) members;

the county executive of Clark County shall determine which four (4) of the members of the Clark County board of aviation commissioners shall become the initial members of the board of the authority.

(3) The terms of the individuals who serve as the initial members of the board of the authority as provided in subdivision (1) expire on January 1 of the first calendar year that begins at least twelve (12) months after the authority is established.

(4) Upon the expiration of the terms of the individuals who serve as the initial members of the board of the authority, the members of the board shall be appointed as provided in section 4(h) of this chapter.

(g) The general assembly finds that by enacting this section and section 4(h) of this chapter, Clark County will have the opportunity to advance the economic development potential of the county through the airport authority, the military base reuse authority, and the ports of Indiana.

As added by P.L.84-2013, SEC.2.

IC 8-22-3-5

Board membership; prerequisites; restrictions

Sec. 5. (a) This subsection applies only in counties that contain a consolidated city or at least one (1) second class city. To be eligible to be a member of the board, a person must have the following qualifications:

- (1) Be at least eighteen (18) years old.
- (2) Except as provided in section 4.1 of this chapter, be a resident of the county in which the eligible entity is located.
- (3) Not be actively engaged as:
 - (A) a principal owner;
 - (B) a majority member or majority shareholder;
 - (C) a director;
 - (D) an officer; or
 - (E) an employee with managerial or supervisory responsibilities;
 of any entity engaged in commercial aeronautics.
- (4) Not hold any other governmental office (by appointment or election) that has statutory fiscal or management review of the board's actions.
- (5) Not serve as a member of any other agency, board, commission, department, or other governmental entity that:
 - (A) is located within the jurisdiction of the authority; and
 - (B) has statutory fiscal or management review of the authority's actions.
- (b) This subsection does not apply to a county if the county contains a consolidated city or a second class city. To be eligible to be a member of the board, a person must:
 - (1) be at least eighteen (18) years of age;
 - (2) be a resident of the county in which the eligible entity is located; and
 - (3) not be actively engaged as:
 - (A) a principal owner;
 - (B) a majority member or majority shareholder;
 - (C) a director;
 - (D) an officer; or
 - (E) an employee with managerial or supervisory responsibilities;
 of any entity engaged in commercial aeronautics in a county that the board serves.

As added by Acts 1980, P.L.8, SEC.73. Amended by P.L.129-1987, SEC.2; P.L.5-1988, SEC.54; P.L.116-1995, SEC.5; P.L.134-2005, SEC.6; P.L.61-2012, SEC.3.

IC 8-22-3-6

Appointment of board members; staggered terms; vacancies; reappointment; impeachment

Sec. 6. (a) The board members shall be appointed as soon as possible after the adoption of an ordinance establishing an authority under this chapter. The term of each member starts at noon on the day the authority is established, at which time the board members shall meet and organize as the board.

- (b) Members of the board shall be appointed as follows:
 - (1) One (1) member for an initial term of one (1) year.
 - (2) One (1) for an initial term of two (2) years.
 - (3) If a third or fourth appointment is required, one (1) for an

initial term of three (3) years and one (1) for an initial term of four (4) years.

(4) If a fifth appointment is required, one (1) for an initial term of four (4) years.

(5) If a sixth appointment is necessary, one (1) for an initial term of four (4) years.

At the expiration of the respective terms, a member or members shall be appointed to fill the vacancies caused by the expiration. The members so appointed hold office for a term of four (4) years and until their successors are appointed and qualified. If the authority was established under IC 19-6-3 (before its repeal on April 1, 1980), at the expiration of the members' terms the mayor or the board of county commissioners shall appoint a member or members to fill the vacancies caused by the expiration. The members so appointed hold office for a term of three (3) years and until their successors are appointed and qualified.

(c) If a vacancy occurs in the board by resignation or otherwise, a member shall be appointed for the remainder of the term.

(d) A board member is eligible for reappointment to successive terms.

(e) A board member may be impeached under the procedure provided for the impeachment of county officers.

As added by Acts 1980, P.L.8, SEC.73. Amended by P.L.3-1990, SEC.38; P.L.116-1995, SEC.6; P.L.134-2005, SEC.7.

IC 8-22-3-6.1

Authority established under IC 8-22-3-1.1; appointment of board members; terms; vacancies; reappointment; impeachment

Sec. 6.1. (a) Notwithstanding section 6 of this chapter, the board members of an authority established under section 1.1 of this chapter shall be appointed on or before June 15, 1985. The term of each member starts at noon on the day the authority is established, at which time the board members shall meet and organize as the board.

(b) Members of the board shall be appointed as follows: two (2) members for an initial term of one (1) year, two (2) members for an initial term of two (2) years, and two (2) members for an initial term of three (3) years. At the expiration of the respective terms, a member or members shall be appointed to fill the vacancies caused by the expiration. The members so appointed shall hold office for a term of four (4) years and until their successors are appointed and qualified.

(c) If a vacancy occurs in the board by resignation or otherwise, a member shall be appointed for the remainder of the term.

(d) A board member is eligible for reappointment to successive terms.

(e) A board member may be impeached under the procedure provided for the impeachment of county officers.

As added by P.L.100-1985, SEC.3.

IC 8-22-3-6.5

Cooperation agreements with contiguous counties

Sec. 6.5. (a) This section applies only to an authority that was established under IC 19-6-3 (before its repeal on April 1, 1980).

(b) As used in this section, "cooperative agreement" means an agreement entered into by the authority and an eligible county under subsection (d).

(c) As used in this section, "eligible county" means a county that is contiguous to the county in which the authority has jurisdiction.

(d) The authority and an eligible county may enter into a cooperative agreement concerning the operations, functions, projects, activities, funding, or capital expenditures of the authority under this chapter or IC 8-22-3.5.

(e) A cooperative agreement must provide for the following:

- (1) The appointment to the board of the authority of one (1) or more additional members, including advisory members, representing the eligible county.
- (2) The duration of the cooperative agreement.
- (3) The purpose of the cooperative agreement.
- (4) The manner of financing, staffing, and supplying a joint undertaking under the cooperative agreement.
- (5) Establishing and maintaining a budget for a joint undertaking under the cooperative agreement.
- (6) The partial or complete termination of the cooperative agreement.
- (7) Any other matters the authority and the eligible county determine are necessary or desirable.

(f) A cooperative agreement may provide for the following:

- (1) A trial period, not to exceed three (3) years, during which the eligible county:
 - (A) may cooperate in an advisory capacity; and
 - (B) may not be required to participate in financing activities under the cooperative agreement.
- (2) The establishment of a separately appointed board to administer the cooperative agreement following the conclusion of the trial period described in subdivision (1).

(g) A proposed cooperative agreement must be approved by the:

- (1) executive; and
- (2) fiscal body;

of the eligible county before the eligible county may enter into the cooperative agreement.

(h) A cooperative agreement entered into under this section is not subject to IC 36-1-7.

(i) The general assembly finds the following:

- (1) The authority and all eligible counties face unique and distinct challenges and opportunities related to transportation and economic development that are different in scope and type from those faced by other units of local government in Indiana due to:

(A) the status of the authority and the eligible counties in relationship to the southwest extension of Interstate Highway 69;

(B) the distance of the authority and the eligible counties from other major centers of commerce, industry, and economic activity in the state; and

(C) the relative inaccessibility of southwest Indiana to markets.

(2) A unique approach is required to fully take advantage of the economic development potential of the authority and an eligible county.

As added by P.L.97-2007, SEC.1.

IC 8-22-3-7

Conflicts of interest

Sec. 7. A member of the board is ineligible to hold an appointive office or employment for the authority. A member of the board may not become personally interested in any contract with or claim against the authority.

As added by Acts 1980, P.L.8, SEC.73.

IC 8-22-3-8

Compensation and expenses

Sec. 8. (a) Except as provided in subsections (b) and (c), the members of the board shall serve without compensation, but shall be paid their actual expenses for travel conducted in the interest of the board.

(b) The fiscal body of the entity may provide a per diem for the members of the board in an amount that does not exceed thirty-five dollars (\$35) for each whole or part day a member is engaged in board activities. The members of the board shall also be paid their actual expenses under subsection (a).

(c) If the authority is established by more than one (1) entity, the fiscal bodies of the entities, acting jointly, may provide a per diem for the members of the board in an amount that does not exceed thirty-five dollars (\$35) for each whole or part day a member is engaged in board activities. The members of the board shall also be paid their actual expenses under subsection (a).

As added by Acts 1980, P.L.8, SEC.73. Amended by P.L.106-1993, SEC.1.

IC 8-22-3-9

Election of officers; meetings; record of proceedings; internal affairs

Sec. 9. (a) Except as provided in section 4.3(g) of this chapter, the board shall elect, at its first regular meeting to be conducted on the first July 1 or January 1 after appointment of the board members, and annually thereafter, one (1) of its members president, and another of its members vice president, who performs the duties of the president during the absence of or disability of the president. The board shall keep a suitable office at the airport where its maps, plans, documents, records, and accounts shall be kept, subject to public inspection at all reasonable times.

(b) The board shall provide by rule for regular meetings to be held not less than at monthly intervals throughout the year.

(c) The board shall convene in a special meeting when one is called. The president or a majority of the members of the board may call a special meeting. The board shall establish by rule a procedure for calling special meetings.

(d) Regular or special meetings shall be held at the office of the board or at another public place in any county where the board owns or operates an airport. The board may adjourn any regular or special meeting to a specific day designated at the time of adjournment, and that meeting is a continuation of the meeting so adjourned. This subsection does not apply to an authority that was established under IC 19-6-3 (before its repeal on April 1, 1980).

(e) A majority of the members of the board constitutes a quorum for a meeting. The board may act officially by an affirmative vote of a majority of those present at the meeting at which the action is taken.

(f) The board shall keep a written record of its proceedings, which shall be available for public inspection in the office of the board. The board shall record the aye and nay tally of the vote for each ordinance or resolution.

(g) The board shall adopt a system of rules of procedure under which its meetings are to be held. The board may suspend the rules of procedure by unanimous vote of the members of the board who are present at the meeting. The board may not suspend the rules of procedure beyond the duration of the meeting at which the suspension of rules occurs.

(h) The board may supervise its internal affairs as do local legislative and administrative bodies.

As added by Acts 1980, P.L.8, SEC.73. Amended by P.L.3-1990, SEC.39; P.L.107-1993, SEC.1; P.L.137-2000, SEC.2; P.L.230-2013, SEC.5.

IC 8-22-3-10

Proposal and adoption of ordinances

Sec. 10. (a) A member of the board may introduce a draft of a proposed ordinance at a meeting of the board. A person who introduces a draft shall provide at the time of introduction a written copy of the draft. The board shall assign to each draft a distinguishing number and the date when introduced.

(b) Not more than seven (7) days after the introduction of a draft of an ordinance nor less than seven (7) days before the final passage of a draft of an ordinance, the board shall publish a notice that the proposed ordinance is pending final action by the board. The notice shall be published in each county within the jurisdiction of the board in accordance with IC 5-3-1. Notice of an ordinance establishing a budget must be in accordance with IC 6-1.1-17.

(c) The board shall include in the notice reference to the subject matter of the proposed ordinance and the time and place a hearing will be had and shall indicate that the proposed ordinance is available for public inspection at the office of the board. The board may

include in one (1) notice a reference to the subject matter of each draft that is pending and for which notice has not already been given.

(d) An ordinance is not invalid because the reference to the subject matter of the draft was inadequate if it was sufficient to advise the public of the general subject matter of the proposed ordinance.

(e) The board shall, not later than the date of notice, place five (5) copies of the proposed draft on file in the office of the board for public inspection.

(f) At a meeting for which notice has been given as required by this section, the board may take final action on the proposed ordinance or may postpone final consideration of it to a designated meeting in the future without giving additional notice.

(g) Before adopting an ordinance, the board must give an opportunity to persons present at the meeting to give testimony, evidence, or argument for or against the proposed ordinance in person or by counsel, under reasonable rules as to the number of persons who may be heard and time limits that the board adopts.

(h) When an ordinance is adopted, the board shall also designate the effective date of the ordinance. If the board fails to designate the effective date of the ordinance in the record of the proceedings of the board, the ordinance takes effect on the fourteenth day after its passage.

(i) When the board adopts an ordinance, the board shall have copies of it made available to the public.

(j) The board may provide for the printing of the ordinances of the authority in pamphlet form or for bound volumes and may distribute them without charge, or may charge the cost of printing and distribution.

As added by Acts 1980, P.L.8, SEC.73. Amended by Acts 1980, P.L.78, SEC.2.

IC 8-22-3-11

Powers and duties of board; tax rates

Sec. 11. (a) The board may do all acts necessary or reasonably incident to carrying out the purposes of this chapter, including the following:

(1) As a municipal corporation, to sue and be sued in its own name.

(2) To have all the powers and duties conferred by statute upon boards of aviation commissioners. The board supersedes all boards of aviation commissioners within the district. The board has exclusive jurisdiction within the district.

(3) To protect all property owned or managed by the board.

(4) To adopt an annual budget and levy taxes in accordance with this chapter.

(A) The board may not levy taxes on property in excess of the tax rate specified in subsection (b), except as provided in sections 17 and 25 of this chapter.

(B) Clause (A) and subsection (b) do not apply to an authority that was established under IC 19-6-2 or IC 19-6-3

(before their repeal on April 1, 1980).

(C) The board of an authority that was established under IC 19-6-3 (before its repeal on April 1, 1980) may levy taxes on property not in excess of six and sixty-seven hundredths cents (\$0.0667) on each one hundred dollars (\$100) of assessed valuation.

(5) To incur indebtedness in the name of the authority in accordance with this chapter.

(6) To adopt administrative procedures, rules, and regulations.

(7) To acquire property, real, personal, or mixed, by deed, purchase, lease, condemnation, or otherwise and dispose of it for use or in connection with or for administrative purposes of the airport; to receive gifts, donations, bequests, and public trusts and to agree to conditions and terms accompanying them and to bind the authority to carry them out; to receive and administer federal or state aid; and to erect buildings or structures that may be needed to administer and carry out this chapter.

(8) To determine matters of policy regarding internal organization and operating procedures not specifically provided for otherwise.

(9) To adopt a schedule of reasonable charges and to collect them from all users of facilities and services within the district.

(10) To purchase supplies, materials, and equipment to carry out the duties and functions of the board in accordance with procedures adopted by the board.

(11) To employ personnel that are necessary to carry out the duties, functions, and powers of the board.

(12) To establish an employee pension plan. The board may, upon due investigation, authorize and begin a fair and reasonable pension or retirement plan and program for personnel, the cost to be borne by either the authority or by the employee or by both, as the board determines. If the authority was established under IC 19-6-2 (before its repeal on April 1, 1980), the entire cost must be borne by the authority, and ordinances creating the plan or making changes in it must be approved by the mayor of the city. The plan may be administered and funded by a trust fund or by insurance purchased from an insurance company licensed to do business in Indiana or by a combination of them. The board may also include in the plan provisions for life insurance, disability insurance, or both.

(13) To sell surplus real or personal property in accordance with law. If the board negotiates an agreement to sell trees situated in woods or forest areas owned by the board, the trees are considered to be personal property of the board for severance or sale.

(14) To adopt and use a seal.

(15) To acquire, establish, construct, improve, equip, maintain, control, lease, and regulate municipal airports, landing fields,

and other air navigation facilities, either inside or outside the district; to acquire by lease (with or without the option to purchase) airports, landing fields, or navigation facilities, and any structures, equipment, or related improvements; and to erect, install, construct, and maintain at the airport or airports facilities for the servicing of aircraft and for the comfort and accommodation of air travelers and the public. The Indiana department of transportation must grant its approval before land may be purchased for the establishment of an airport or landing field and before an airport or landing field may be established.

(16) To fix and determine exclusively the uses to which the airport lands may be put, including land use planning and zoning. All uses must be necessary or desirable to the airport or the aviation industry and must be compatible with the uses of the surrounding lands as far as practicable. The jurisdiction granted under this subdivision is superior to that of any other local government unit or entity with respect to airport lands.

(17) To elect a secretary from its membership, or to employ a secretary, an airport director, superintendents, managers, a treasurer, engineers, surveyors, attorneys, clerks, guards, mechanics, laborers, and all employees the board considers expedient, and to prescribe and assign their respective duties and authorities and to fix and regulate the compensation to be paid to the persons employed by it in accordance with the authority's appropriations. All employees shall be selected irrespective of their political affiliations.

(18) To make all rules and regulations, consistent with laws regarding air commerce, for the management and control of its airports, landing fields, air navigation facilities, and other property under its control.

(19) To acquire by lease the use of an airport or landing field for aircraft pending the acquisition and improvement of an airport or landing field.

(20) To manage and operate airports, landing fields, and other air navigation facilities acquired or maintained by an authority; to lease all or part of an airport, landing field, or any buildings or other structures, and to fix, charge, and collect rentals, tolls, fees, and charges to be paid for the use of the whole or a part of the airports, landing fields, or other air navigation facilities by aircraft landing there and for the servicing of the aircraft; to construct public recreational facilities that will not interfere with air operational facilities; to fix, charge, and collect fees for public admissions and privileges; and to make contracts for the operation and management of the airports, landing fields, and other air navigation facilities; and to provide for the use, management, and operation of the air navigation facilities through lessees, its own employees, or otherwise. Contracts for the maintenance, operation, or use of the airport or any part of it may be made for a term not exceeding fifteen (15) years and may be extended for similar terms of years. However, the

airport, including all or part of its land, facilities, or structures, may be leased for any use connected with the operation and convenience of the airport for an initial term not exceeding forty (40) years and may be extended for a period not to exceed ten (10) years. If a person whose character, experience, and financial responsibility have been determined satisfactory by the board offers to erect a permanent structure that facilitates and is consistent with the operation, use, and purpose of the airport on land belonging to the airport, a lease may be entered into for a period not to exceed ninety-nine (99) years. However, the board must pass an ordinance to enter into such a lease. The board may not grant an exclusive right for the use of a landing area under its jurisdiction. However, this does not prevent the making of leases in accordance with other provisions of this chapter. All contracts, and leases, are subject to restrictions and conditions that the board prescribes. The authority may lease its property and facilities for any commercial or industrial use it considers necessary and proper, including the use of providing airport motel facilities. For the airport authority established by the city of Gary, the board may approve a lease, management agreement, or other contract:

(A) with a person:

(i) who is selected by the board using the procedures under IC 36-1-9.5; and

(ii) whose character, experience, and financial responsibility have been determined satisfactory by the board; and

(B) to use, plan, design, acquire, construct, reconstruct, improve, extend, expand, lease, operate, repair, manage, maintain, or finance all or any part of the airport and its landing fields, air navigation facilities, and other buildings and structures for a period not to exceed ninety-nine (99) years. However, the board must pass an ordinance to enter into such a lease, management agreement, or other contract. All contracts, leases, and management agreements are subject to restrictions and conditions that the board prescribes. The authority may lease its property and facilities for any commercial or industrial use it considers necessary and proper, including the use of providing airport motel facilities. A lease, management agreement, or other contract entered into under this section or any other provision of this chapter may be entered into without complying with IC 5-23.

(21) To sell machinery, equipment, or material that is not required for aviation purposes. The proceeds shall be deposited with the treasurer of the authority.

(22) To negotiate and execute contracts for sale or purchase, lease, personal services, materials, supplies, equipment, or any other transaction or business relative to an airport under the board's control and operation. However, whenever the board determines to sell part or all of aviation lands, buildings, or

improvements owned by the authority, the sale must be in accordance with law.

(23) To vacate all or parts of roads, highways, streets, or alleys, whether inside or outside the district, in the manner provided by statute.

(24) To annex lands to itself if the lands are owned by the authority or are streets, roads, or other public ways.

(25) To approve any state, county, city, or other highway, road, street or other public way, railroad, power line, or other right-of-way to be laid out or opened across an airport or in such proximity as to affect the safe operation of the airport.

(26) To construct drainage and sanitary sewers with connections and outlets as are necessary for the proper drainage and maintenance of an airport or landing field acquired or maintained under this chapter, including the necessary buildings and improvements and for the public use of them in the same manner that the authority may construct sewers and drains. However, with respect to the construction of drains and sanitary sewers beyond the boundaries of the airport or landing field, the board shall proceed in the same manner as private owners of property and may institute proceedings and negotiate with the departments, bodies, and officers of an eligible entity to secure the proper orders and approvals; and to order a public utility or public service corporation or other person to remove or to install in underground conduits wires, cables, and power lines passing through or over the airport or landing field or along the borders or within a reasonable distance that may be determined to be necessary for the safety of operations, upon payment to the utility or other person of due compensation for the expense of the removal or reinstallation. The board must consent before any franchise may be granted by state or local authorities for the construction of or maintenance of railway, telephone, telegraph, electric power, pipe, or conduit line upon, over, or through land under the control of the board or within a reasonable distance of land that is necessary for the safety of operation. The board must also consent before overhead electric power lines carrying a voltage of more than four thousand four hundred (4,400) volts and having poles, standards, or supports over thirty (30) feet in height within one-half (1/2) mile of a landing area acquired or maintained under this chapter may be installed.

(27) To contract with any other state agency or instrumentality or any political subdivision for the rendition of services, the rental or use of equipment or facilities, or the joint purchase and use of equipment or facilities that are necessary for the operation, maintenance, or construction of an airport operated under this chapter.

(28) To provide air transportation in furtherance of the duties and responsibilities of the board.

(29) To promote or encourage aviation-related trade or commerce at the airports that it operates.

(30) To provide aviation services to public use airports within or outside Indiana either directly or through an affiliate entity established by the board.

(b) Except as provided in sections 17 and 25 of this chapter, a board may impose a tax rate that does not exceed the following:

(1) If the total assessed valuation is three hundred million dollars (\$300,000,000) or less, a tax rate of ten cents (\$0.10) per one hundred dollars (\$100) of assessed valuation.

(2) If the total assessed valuation is more than three hundred million dollars (\$300,000,000) but not more than four hundred fifty million dollars (\$450,000,000), the tax rate necessary to raise property tax revenue equal to the sum of:

(A) three hundred thousand dollars (\$300,000); plus

(B) the amount that would be raised by applying a tax rate of eight and thirty-three hundredths cents (\$0.0833) (as adjusted under IC 6-1.1-18-12) per one hundred dollars (\$100) of assessed valuation that exceeds three hundred million dollars (\$300,000,000).

(3) If the total assessed valuation is more than four hundred fifty million dollars (\$450,000,000) but not more than six hundred million dollars (\$600,000,000), the tax rate necessary to raise property tax revenue equal to the sum of:

(A) three hundred seventy-four thousand eight hundred fifty dollars (\$374,850); plus

(B) the amount that would be raised by applying a tax rate of six and sixty-seven hundredths cents (\$0.0667) (as adjusted under IC 6-1.1-18-12) per one hundred dollars (\$100) of assessed valuation that exceeds four hundred fifty million dollars (\$450,000,000).

(4) If the total assessed valuation is more than six hundred million dollars (\$600,000,000) but not more than nine hundred million dollars (\$900,000,000), the tax rate necessary to raise property tax revenue equal to the sum of:

(A) four hundred thousand two hundred dollars (\$400,200); plus

(B) the amount that would be raised by applying a tax rate of five cents (\$0.05) (as adjusted under IC 6-1.1-18-12) per one hundred dollars (\$100) of assessed valuation that exceeds six hundred million dollars (\$600,000,000).

(5) If the total assessed valuation is more than nine hundred million dollars (\$900,000,000), the tax rate necessary to raise property tax revenue equal to the sum of:

(A) four hundred fifty thousand dollars (\$450,000); plus

(B) the amount that would be raised by applying a tax rate of three and thirty-three hundredths cents (\$0.0333) (as adjusted under IC 6-1.1-18-12) per one hundred dollars (\$100) of assessed valuation that exceeds nine hundred million dollars (\$900,000,000).

As added by Acts 1980, P.L.8, SEC.73. Amended by Acts 1980, P.L.79, SEC.1; Acts 1982, P.L.82, SEC.1; P.L.130-1987, SEC.3;

P.L.3-1990, SEC.40; P.L.106-1993, SEC.2; P.L.29-1999, SEC.2; P.L.29-1999, SEC.3; P.L.98-2001, SEC.2; P.L.182-2009(ss), SEC.268; P.L.139-2011, SEC.4; P.L.139-2013, SEC.2; P.L.166-2014, SEC.37.

IC 8-22-3-11.6

Consolidation of law enforcement and fire protection

Sec. 11.6. (a) This section applies only to an airport authority established for a county having a consolidated city.

(b) The legislative body of the consolidated city and the governing body of the airport authority may adopt substantially similar ordinances providing that the fire department of the airport authority is consolidated into the fire department of the consolidated city, and that the fire department of the consolidated city shall provide fire protection services for the airport authority. If ordinances are adopted under this section, the consolidation shall take effect on the date agreed to by the legislative body of the consolidated city and the governing body of the airport authority in the ordinances.

(c) The legislative body of the consolidated city and the governing body of the airport authority may adopt substantially similar ordinances providing that the law enforcement services of the airport authority are consolidated into the consolidated law enforcement department of the consolidated city, and that the law enforcement department of the consolidated city shall provide law enforcement services for the airport authority. If ordinances are adopted under this section, the consolidation shall take effect on the date agreed to by the legislative body of the consolidated city and the governing body of the airport authority in the ordinances.

As added by P.L.227-2005, SEC.7.

IC 8-22-3-12

Contracts for improvements and purchases

Sec. 12. For all contracts for improvements and purchases, other than those for professional services and those for the acquisition of land, easements, and rights-of-way, IC 5-22, IC 36-1-9.5, and IC 36-1-12 apply.

As added by Acts 1980, P.L.8, SEC.73. Amended by Acts 1981, P.L.57, SEC.29; P.L.85-1991, SEC.2; P.L.49-1997, SEC.36; P.L.139-2011, SEC.5.

IC 8-22-3-13

Damages for breach of agreements; penalties for violations; injuries to properties; publication of rules and regulations

Sec. 13. The board may take action to recover damages for the breach of an agreement, express or implied, relating to the operation, control, leasing, management, or improvement of the property under its control, to impose the penalties for the violation of ordinances or of its rules or regulations, and for injury to the personal or real property under its control, and to recover possession of any such property. All rules and regulations that the board adopts under this

chapter shall be published in accordance with IC 5-3-1.

As added by Acts 1980, P.L.8, SEC.73. Amended by P.L.81-1996, SEC.11.

IC 8-22-3-14

Establishment of restricted zones; eminent domain; zoning jurisdiction

Sec. 14. (a) In order to provide free air space for the safe descent and ascent of aircraft and for the proper and safe use of an airport or landing field acquired or maintained under this chapter, the board may establish by ordinance or ordinances a restricted zone or zones of a distance in any direction from the boundaries of the airport or landing field so that no building or other structure is erected high enough to interfere with the descent of an aircraft at an approach angle necessary for safety for the usual type of operation that is conducted at the airport or landing field. If the authority was established under IC 19-6-3 (before its repeal on April 1, 1980), this action is subject to approval by the fiscal body of any eligible entity within or coterminous with the boundaries of the district.

(b) The board may acquire by condemnation or purchase, upon the payment of due compensation, the right to prevent the erection of, and to require the removal of, all buildings, towers, poles, wires, cables, other structures, and trees within the zone or zones that interfere with the gliding angle or as much of any structure or trees that interfere with the gliding angles. When a restricted zone or zones has been established, a permit issued by a department or office of an eligible entity or by any state or other authority for the erection of any structure extending into such zone or zones is effective only if approved by the board. Establishment of a restricted zone or zones outside of an airport or landing field, in connection with the condemnation of the rights in the land, constitutes condemnation and the perpetual annihilation of all rights of the owners of the property within the zone or zones to erect or maintain any building or structure that will interfere with the gliding angle. This result may be accomplished by absolute condemnation of the land, with perpetual and irrevocable free license to use and occupy the land within the zone for all purposes except the erection of buildings or other structures above the height so prescribed.

(c) The part of a restricted zone that extends below fifty (50) feet measured vertically from the land may be established only by purchase or proceedings in eminent domain. That part of a restricted zone that is fifty (50) or more feet above the surface of the land is in effect immediately upon the adoption of a zoning ordinance. However, the owners of land beneath a restricted zone have the right to recover damages that may be proven in an action brought for that purpose. In an action for damages the owner has the burden of proving damage by reason of the establishment of the restricted zone.

(d) The zoning jurisdiction granted in this section is exclusive against jurisdiction granted by any other statute unless the other statute specifically provides otherwise. In case of conflict with any

airport zoning or other regulations promulgated by an eligible entity, the regulations adopted under this section prevail.

(e) All airport zoning regulations adopted under this chapter must be reasonable and may not impose a requirement or restriction that is not reasonably necessary to effectuate the purposes of this chapter. In determining what regulations to adopt, the board shall consider, among other things, the character of the flying operations expected to be conducted at the airport, the nature of the terrain within the airport hazard area, the character of the neighborhood, and the uses to which the property to be zoned is put and adaptable. However, this section does not apply to the location, relocation, erection, construction, change, alteration, maintenance, removal, use, or enlargement of any buildings or structures on lands owned by a public utility or railroad.

As added by Acts 1980, P.L.8, SEC.73. Amended by Acts 1980, P.L.79, SEC.2; P.L.3-1990, SEC.41.

IC 8-22-3-15

Eminent domain; procedures

Sec. 15. (a) The board:

- (1) may exercise the power of eminent domain to carry out this chapter;
- (2) may award damages to landowners for real estate and property rights appropriated; and
- (3) if the board cannot agree with the owners, lessees, or occupants of real estate selected by the board for the purposes in this chapter, may procure the condemnation of the property.

The board may proceed under IC 32-24-1. IC 32-24-1 applies to airports, landing fields, and restricted zones adjoining them to the extent that it is not inconsistent with this chapter.

(b) If the land on and across which it is necessary to establish and fix a restricted zone is already in use for another public purpose or has been condemned or appropriated for a use authorized by statute, and is being used for that purpose by the corporation so appropriating it, the public use or prior condemnation does not bar the right of the board to condemn the use of ground for aviation purposes. Use by the board does not permanently prevent the use of the land for the prior public use or by the corporation condemning or appropriating it.

(c) In a proceeding prosecuted by the board to condemn the use of land for purposes permitted by this chapter, the burden is upon the board to show that its use will not permanently or seriously interfere with the continued public use of the land or by the corporation condemning it, or its successors. However, in the proceeding the board may require the removal or the burying beneath the surface of the ground of wires, cables, power lines, or other structures within a restricted zone established under this chapter.

(d) The board may not take or disturb property or facilities belonging to a public utility or common carrier engaged in interstate commerce if the property or facilities are required for the proper and convenient operation of the utility or carrier, unless provision is made

for the restoration, relocation, or duplication of the property or facilities elsewhere, at the sole cost of the board.

As added by Acts 1980, P.L.8, SEC.73. Amended by Acts 1980, P.L.79, SEC.3; P.L.2-2002, SEC.47.

IC 8-22-3-16

Issuance of bonds

Sec. 16. (a) The board may issue general obligation bonds of the authority for the purpose of procuring funds to pay the cost of acquiring real property, or constructing, enlarging, improving, remodeling, repairing, or equipping buildings, structures, runways, or other facilities, for use as or in connection with or for administrative purposes of the airport. The issuance of the bonds must be authorized by ordinance of the board providing for the amount, terms, and tenor of the bonds and for the time and character of notice and the mode of making sale. If one (1) airport is owned by the authority, an ordinance authorizing the issuance of bonds for a separate second airport is subject to approval as provided in this section. The bonds bear interest and are payable at the times and places that the board determines but running not more than twenty-five (25) years after the date of their issuance, and they must be executed in the name of the authority by the president of the board and attested by the secretary who shall affix to each of the bonds the official seal of the authority. The interest coupons attached to the bonds may be executed by placing on them the facsimile signature of the president of the board.

(b) The issuance of general obligation bonds must be approved by resolution of the following body:

(1) When the authority is established by an eligible entity, by its fiscal body.

(2) When the authority is established by two (2) or more eligible entities acting jointly, by the fiscal body of each of those entities.

(3) When the authority was established under IC 19-6-2 (before its repeal), by the mayor of the consolidated city, and if a second airport is to be funded, also by the city-county council.

(4) When the authority was established under IC 19-6-3 (before its repeal), by the county council.

(c) The airport director shall manage and supervise the preparation, advertisement, and sale of the bonds, subject to the authorizing ordinance. Before the sale of the bonds, the airport director shall cause notice of the sale to be published once each week for two (2) consecutive weeks in two (2) newspapers of general circulation published in the district, setting out the time and place where bids will be received, the amount and maturity dates of the issue, the maximum interest rate, and the terms and conditions of sale and delivery of the bonds. The bonds shall be sold to the highest bidder, in accordance with the procedures for selling public bonds. After the bonds have been properly sold and executed, the airport director shall deliver them to the treasurer of the authority and take

a receipt for them, and shall certify to the treasurer the amount which the purchaser is to pay for them, together with the name and address of the purchaser. On payment of the purchase price, the treasurer shall deliver the bonds to the purchaser, and the treasurer and airport director or superintendent shall report their actions to the board.

(d) The provisions of IC 6-1.1-20 and IC 5-1 relating to:

(1) the filing of a petition requesting the issuance of bonds and giving notice of them;

(2) the giving of notice of determination to issue bonds;

(3) the giving of notice of hearing on the appropriation of the proceeds of bonds and the right of taxpayers to appeal and be heard on the proposed appropriation;

(4) the approval of the appropriation by the department of local government finance;

(5) the right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds, in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds, in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a); and

(6) the sale of bonds at public sale for not less than par value; are applicable to proceedings under this chapter for the issuance of general obligation bonds.

(e) Bonds issued under this chapter are not a corporate obligation or indebtedness of any eligible entity but are an indebtedness of the authority as a municipal corporation. An action to question the validity of the bonds issued or to prevent their issue must be instituted not later than the date set for sale of the bonds, and all of the bonds after that date are incontestable.

As added by Acts 1980, P.L.8, SEC.73. Amended by P.L.90-2002, SEC.328; P.L.219-2007, SEC.94; P.L.146-2008, SEC.364.

IC 8-22-3-17

Special tax levy; collection; bonds exempt from taxation

Sec. 17. (a) For the purpose of raising money to pay all bonds issued under section 16 of this chapter and any interest on them, the principal of and interest on any outstanding bonds or obligations payable from taxes and assumed under section 33 of this chapter, and leases entered into under IC 8-22-3.6 that are payable in whole or in part from a property tax levy, the board shall levy each year a special tax upon all of the property, both real and personal, located within the district in a manner and in an amount to meet and pay the principal of the bonds as they severally mature, together with all interest accruing on them, and to pay lease rentals as they become due, after taking into account all other revenues pledged to the payment of the bonds or lease rentals.

(b) The board shall file the tax levied each year with the county auditor of the county in which the district is located under IC 6-1.1-17.

(c) The tax levied shall be collected and enforced by the treasurer

of the county under IC 6-1.1, and as the tax is collected by the treasurer of the county it shall be paid over to the treasurer of the authority. The treasurer shall accumulate and keep the tax in a separate fund to be known as the "airport authority bond fund", which shall be applied to the payment of the bonds and the interest on them as they severally mature and to the payment of lease rentals and to no other purposes.

(d) The bonds issued under this chapter and the interest on them are exempt from taxation for all purposes except the financial institutions tax imposed under IC 6-5.5 or a state inheritance tax imposed under IC 6-4.1.

As added by Acts 1980, P.L.8, SEC.73. Amended by Acts 1980, P.L.79, SEC.4; P.L.21-1990, SEC.42; P.L.108-1993, SEC.1; P.L.254-1997(ss), SEC.16.

IC 8-22-3-18

Repealed

(Repealed by P.L.1-1991, SEC.80.)

IC 8-22-3-18.1

Capital improvements; revenue bond issues and related matters

Sec. 18.1. (a) The board may:

- (1) finance capital improvements, including the acquisition of real estate;
- (2) refund any bonds; or
- (3) pay any loan contract;

by borrowing money and issuing revenue bonds from time to time under this section.

(b) The issuance of revenue bonds must be authorized by ordinance of the board in at least one (1) series, may bear a date or dates, may mature at a time or times not exceeding forty (40) years from their respective dates, may bear interest, may be in a denomination or denominations, may be in a form, either coupon or registered, may carry registration and conversion privileges, may be executed in a manner, may be payable in a medium of payment and at a place or places, may be subject to terms of redemption, with or without a premium, may be declared or become due before the maturity date, may provide for the replacement of mutilated, destroyed, stolen, or lost bonds, may be authenticated in a manner and upon compliance with conditions, and may contain other terms and covenants that the ordinance of the board provides. Notwithstanding the form or tenor of the bonds, and in the absence of express recitals on their faces that the bonds are nonnegotiable, the bonds are negotiable instruments.

(c) The issuance of revenue bonds must be approved as follows:

- (1) When the authority is established by an eligible entity, by the entity's executive.
- (2) When the authority is established by at least two (2) eligible entities acting jointly, by the executive of each of those entities.
- (3) When the authority was established under IC 19-6-2 (before

its repeal on April 1, 1980), by the executive of the consolidated city.

(4) When the authority was established under IC 19-6-3 (before its repeal on April 1, 1980), by the county fiscal body.

For purposes of this subsection, the entire legislative body of a town is considered the executive of the town.

(d) The bonds must be executed in the name of the authority by the president of the board and attested by the secretary, and interest coupons may be executed by placing on the interest coupons the facsimile signature of the president of the board. The bonds are valid and binding obligations of the authority for all purposes, notwithstanding that before delivery of the bonds any of the persons whose signatures appear on the bonds have ceased to be officers of the entity or authority, as if the persons had continued to be officers of the entity and authority until after delivery. The validity of the authorization and issuance of the bonds is not dependent on or affected in any way by proceedings taken for the improvement for which the bonds are to be issued, or by contracts made in connection with the improvement. An ordinance authorizing revenue bonds must provide that a revenue bond contain a recital that the bond is issued under this chapter, and a bond containing the recital under authority of an ordinance is considered valid and issued in conformity with this chapter.

(e) At the discretion of the board, the revenue bonds shall be sold either under the procedures for selling public bonds or at a negotiated sale. The bonds may be sold in installments at different times, or an entire issue or series may be sold or exchanged at one (1) time. Any issue or series of the bond may be sold in part or sold in part in installments at different times or at one (1) time.

(f) The bonds are special obligations of the authority and are payable solely from and secured by a lien upon the revenues of all or part of the facilities of the authority, as shall be more fully described in the ordinance of the board authorizing the issuance of the bonds, and, subject to the Constitution and to the prior or superior rights of any person, the board may by ordinance pledge and assign for the security of the bonds all or part of the gross or net revenues of the enterprise.

(g) All bonds of the same issue shall be equally and ratably secured, without priority by reason of number, date of bonds, of sale, of execution, or of delivery, by a lien upon the revenues in accordance with this section and the ordinance authorizing the issuance of the bonds.

(h) This chapter does not alter the rights granted to or the agreements made with the holders of any notes, bonds, or other obligations of the board outstanding on April 1, 1980.

(i) The bonds, and interest on the bonds, are not a debt of the authority or the board, nor a charge, a lien, or an encumbrance, legal or equitable, upon property of the board, or upon income, receipts, or revenues of the board other than those revenues of the facilities that have been pledged to the payment of the bonds. Every bond must

recite in substance that the bond, including interest, is payable solely from the revenues pledged to the bond's payment, and that the board is under no obligation to pay the bond, except from those revenues.

(j) The bonds and the income from the bonds are exempt from taxation, except the financial institutions tax imposed under IC 6-5.5 or a state inheritance tax imposed under IC 6-4.1.

(k) In order that the payment of the revenue bonds and the interest on the bonds be adequately secured, the board and its officers, agents, and employees shall:

(1) pay or cause to be paid punctually the principal of every bond, and the interest on every bond, on the date or dates and at the place or places and in the manner and out of the funds mentioned in the bonds and in the attached coupons, in accordance with the ordinance authorizing their issuance;

(2) operate the facilities of the authority, the revenues of which are pledged to the bonds, in an efficient and economical manner and establish, levy, maintain, and collect fees, tolls, rentals, rates, and other charges that may be necessary or proper, which must be at least sufficient after making due and reasonable allowance for contingencies and for a margin of error in the estimates:

(A) to pay all current expenses of operation, maintenance, and repair of the facilities;

(B) to pay the interest on and principal of the bonds as the bonds become due and payable;

(C) to comply in all respects with the terms of the ordinance authorizing the issuance of bonds or any other contract or agreement with the holders of the bonds; and

(D) to meet any other obligations of the board that are charges, liens, or encumbrances upon the revenues of the facilities;

(3) operate and maintain the facilities and every part of the facilities in good working order and condition;

(4) preserve the security of the bonds and the rights of the holders, and warrant and defend the rights against all claims and demands of all persons;

(5) pay the lawful claims for labor, materials, and supplies, which, if unpaid, might by law become a lien or charge upon the revenues or part of the revenues, superior to the lien of the bonds, or that might impair the security of the bonds, to the end that the priority and security of the bonds be fully preserved;

(6) hold in trust the revenues pledged to the payment of the bonds for the benefit of the holders of the bonds and apply the revenues only as provided by the ordinance authorizing the issuance of the bonds or, if the ordinance is modified, as provided in the ordinance as modified; and

(7) keep proper books of record and accounts of the facilities (separate from all other records and accounts) in which complete and correct entries are made of all transactions relating to the facilities or part of the facilities, the revenues of which are

pledged and that, together with all other books and papers of the board, are at all times subject to the inspection of the holder or holders of not less than ten percent (10%) of the bonds then outstanding or the holder's or the holders' representative duly authorized in writing.

None of the duties in this subsection require the expenditure in any manner or for any purpose by the board of any funds other than revenues received or receivable from the enterprise or facilities.

(1) The board may insert provisions in an ordinance or a resolution authorizing the issuance of revenue bonds, which becomes a part of the contract with the holders of the revenue bonds, as to:

- (1) limitations on the purpose to which the proceeds of sale of any issue of revenue bonds, or any notes, bonds, or other obligations payable from the revenues to finance the improving of the facilities may be applied;
- (2) limitations on the issuance of additional bonds, or additional notes, bonds, or other obligations to finance the improving of the facilities, including liens;
- (3) limitations on the right of the board to restrict and regulate the use of the facilities;
- (4) the amount and kind of insurance to be maintained on the facilities and the use and disposition of insurance money;
- (5) pledging all or part of the revenues of the facilities to which the board's right exists;
- (6) covenanting against pledging all or part of the revenues of the facilities to which its right exists;
- (7) events of default and terms and conditions upon which the bonds become or may be declared due before maturity and as to the terms and conditions upon which declaration and its consequences may be waived;
- (8) the rights, liabilities, powers, and duties arising upon the breach by it of any covenants, conditions, or obligations;
- (9) the vesting in a trust or trustees the right to enforce covenants made to secure, to pay, or in relation to the bonds, as to the powers and duties of the trustee or trustees, and the limitation of liabilities, and as to the terms and conditions upon which the holders of the bonds or any proportion or percentage of the holders of the bonds may enforce any covenants made or duties imposed under this chapter;
- (10) a procedure by which the terms of an ordinance authorizing revenue bonds, or any other contract with bondholders, such as an indenture of trust or similar instrument, may be amended or abrogated and as to the amount of bonds, the holders of which must consent to them and the manner in which such consent may be given;
- (11) the execution of all instruments necessary or convenient in the exercise of the powers granted by this chapter or in the performance of the duties of the board and the officers, agents, and employees of them;
- (12) refraining from pledging, claiming, or taking the benefit or

advantage of any stay or extension law whenever enacted, which may affect the duties or covenants of the board in relation to the bonds, or the performance or the lien of the bonds;

(13) the purchase out of funds available, including the proceeds of revenue bonds, of outstanding notes, bonds, or obligations and the price or prices at which and the manner in which purchases may be made; and

(14) other acts and things that may be necessary, convenient, or desirable in order to secure the bonds, or that may tend to make the bonds more marketable.

This section does not authorize the board to make covenants, to perform an act, or to do anything that requires the expenditure by the board of funds other than revenues received or receivable from the facilities.

(m) In the event that the board defaults in the payment of the principal or interest on any of the revenue bonds after the bonds become due, whether at maturity or upon call for redemption, and the default continues for a period of thirty (30) days, or in the event that the board or the board's officers, agents, or employees fail or refuse to comply with this chapter or default in an agreement made with the holders of the bonds, any holder or holders of revenue bonds, or a trustee for the holder or holders of the bonds, has the right to apply in an appropriate judicial proceeding to the circuit or superior court of the county in which the district is situated, in which the facilities are located, or in any court of competent jurisdiction, for the appointment of a receiver of the facilities, whether or not the holder, holders, or trustee is seeking or has sought to enforce any other right or to exercise any remedy in connection with the bonds. Upon application, the circuit or superior court may appoint, and if the application is made by the holders of twenty-five percent (25%) in principal amount of the bonds then outstanding or by a trustee for holders of the bonds in that amount shall appoint, a receiver for the enterprise.

(n) The receiver appointed shall, directly or by the receiver's agents and attorneys, enter into and upon and take possession of the facilities, the revenues of which are pledged, and every part of the facilities, and may exclude the board, the board's officers, agents, and employees, and all persons claiming under them. The receiver may have, hold, use, operate, manage, and control the facilities in the name of the board or otherwise, as the receiver considers best, and may exercise all rights and powers of the board with respect to the facilities as the board itself might do. The receiver shall maintain, restore, and insure the facilities, shall make all necessary repairs, shall establish, levy, maintain, and collect fees, tolls, rentals, and other charges in connection with the facilities that the receiver considers necessary or proper and reasonable, and shall collect and receive all revenues, deposit the revenues in a separate account, and apply the revenues in the manner that the court directs.

(o) Whenever all that is due upon the revenue bonds and interest on the bonds, and upon other notes, bonds, or other obligations, and

interest on the notes, bonds, or obligations, having a charge, lien, or encumbrance on the revenues of the facilities and under the terms of covenants or agreements with bondholders has been paid or deposited, and all defaults have been cured and made good, the court may in its discretion, and after notice and hearing that the court considers reasonable and proper, direct the receiver to surrender possession of the facilities to the board, with the right of the holders of the bonds to secure the appointment of a receiver upon subsequent default remaining in force.

(p) The receiver shall act under the direction and supervision of the court making the appointment and is at all times subject to the orders and decrees of the court, including possible removal. Nothing contained in this section limits or restricts the jurisdiction of the court to enter other or further orders and decrees as the court considers necessary or appropriate for the exercise by the receiver of functions specifically set forth.

(q) Subject to contractual limitations binding upon the holders or a trustee of an issue of revenue bonds, including but not limited to the restrictions of the exercise of a remedy to a specified proportion or percentage of the holders, a holder or trustee of the bonds may, for the equal benefit and protection of all holders of revenue bonds similarly situated:

- (1) by mandamus or other suit, action, or proceeding at law or in equity enforce rights against the board and any of the board's officers, agents, and employees and require and compel the board or the board's officers, agents, or employees to perform and carry out duties and obligations under this chapter and covenant agreements with bondholders;
- (2) by action or suit in equity require the board to account as if the board were the trustee of an express trust;
- (3) by action or suit in equity enjoin any acts or things that may be unlawful or in violation of the rights of the bondholders; or
- (4) bring suit upon the bonds.

No remedy conferred by this chapter upon a holder or trustee of revenue bonds is intended to be exclusive of any other remedy, but each remedy is in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred by this chapter or by any other law. No waiver of a default or breach of duty or contract, whether by a holder or trustee of revenue bonds extends to or affects a subsequent default or breach of duty or contract or impairs any rights or remedies on them. No delay or omission of a bondholder or trustee extends to or affects a subsequent default or breach of duty or contract or impairs any rights or remedies. No delay or omission of a bondholder or trustee to exercise a right or power accruing upon default impairs the right or power or may be construed to be a waiver of the default or acquiescence in it. Every substantive right and every remedy conferred upon the holders of revenue bonds may be enforced and exercised from time to time and as often as is expedient. In case any suit, action, or proceeding to enforce a right or exercise a remedy is

brought or taken and then discontinued or abandoned, or is determined adversely to the holder or trustee of the revenue bonds, then the board and the holder or trustee shall be restored to their former positions and rights and remedies as if no suit, action, or proceeding had been brought or taken.

(r) Refunding or refunding and improvement revenue bonds may be issued in accordance with the provisions for the refinancing or refinancing and improving of any of the facilities for which revenue bonds or a loan contract have been issued or made under this section or section 19 of this chapter.

(s) This section constitutes full authority for the issuance of revenue bonds. No procedure, proceedings, publications, notices, consents, approvals, orders, acts, or things by the board, by a board, an officer, a commission, a department, an agency, or an instrumentality of the state, or by an eligible entity is required to issue revenue bonds or to do any act or perform anything under this chapter, except as presented by this chapter. The powers conferred by this chapter are in addition to, and not in substitution for, and the limitations imposed by this section do not affect the powers conferred in another section of this chapter or by any other statute.

As added by P.L.1-1991, SEC.81. Amended by P.L.254-1997(ss), SEC.17.

IC 8-22-3-19

Temporary loans; loan contracts; requirements; tax exemption

Sec. 19. (a) Temporary loans may be made by the board in anticipation of the collection of taxes of the authority actually levied and in course of collection for the fiscal year in which the loans are made. The loans must be authorized by ordinance and evidenced by warrants in the form provided by the authorizing ordinance. The warrants must state the total amount of the issue, the denomination of the warrant, the time and place payable, the rate of interest, the funds in anticipation of which they are issued and out of which they are payable, and a reference to the ordinance authorizing them and the date of its adoption. The ordinance authorizing temporary loans must appropriate and pledge a sufficient amount of the current revenue in anticipation of which they are issued and out of which they are payable. The warrants evidencing the temporary loans must be executed, sold, and delivered as are bonds of the authority.

(b) The board may negotiate terms and borrow money from any source under a loan contract, subject to the following requirements:

(1) The loan contract must be approved by resolution of the board.

(2) The loan contract must provide for the repayment of the loan in not more than forty (40) years.

(3) This subdivision applies only to loan contracts entered into under this subsection before July 1, 2013. The loan contract must state that the indebtedness:

(A) is that of the authority;

(B) is payable solely from revenues of the authority that are

derived from either airport operations or from revenue bonds; and

(C) may not be paid by a tax levied on property located within the district.

(4) This subdivision applies only to loan contracts entered into under this subsection after June 30, 2013. The loan contract must state that the indebtedness:

(A) is that of the authority;

(B) is payable solely from:

(i) a cumulative building fund established under section 25 of this chapter;

(ii) revenues of the authority that are derived from either airport operations or from revenue bonds; or

(iii) both items (i) and (ii); and

(C) may not be paid by a general operating fund tax levied on property located within the district.

(5) The loan contract must be submitted to the department of local government finance, which may approve, disapprove, or reduce the amount of the proposed loan contract. The department of local government finance must make a decision on the loan contract within thirty (30) days after it is submitted for review. The action taken by the department of local government finance on the proposed loan contract is final.

(c) Any loan contract issued under this chapter is issued for essential public and governmental purposes. A loan contract, the interest on it, the proceeds received by a holder from the sale of a loan contract to the extent of the holder's cost of acquisition, proceeds received upon redemption before maturity, proceeds received at maturity, and the receipt of the interest and proceeds are exempt from taxation as provided in IC 6-8-5.

(d) After the board of an authority enters into a loan contract, the board may use funds received from state or federal grants to satisfy the repayment of part or all of the loan contract.

As added by Acts 1980, P.L.8, SEC.73. Amended by Acts 1980, P.L.79, SEC.6; P.L.101-1987, SEC.4; P.L.90-2002, SEC.329; P.L.61-2012, SEC.4; P.L.230-2013, SEC.6.

IC 8-22-3-20

Treasurer

Sec. 20. (a) The board shall appoint a person to act as treasurer of the authority, who shall give bond in the sum and with conditions that the board prescribes and with surety that the board approves. The treasurer is appointed for a term of one (1) year unless sooner removed for cause, but may be appointed for additional terms of one (1) year. All money payable to the authority shall be paid to the treasurer, who shall deposit it under IC 5-13-6. Money so deposited may be invested in accordance with IC 5-13-9.

(b) The treasurer shall keep an accurate account of all appropriations made and all taxes levied by the authority, of all money owing or due the authority, and of all money received and

disbursed. He shall preserve all vouchers for payment and disbursements made, in accordance with the statutes relative to the preservation of public records. The treasurer shall issue all warrants for the payment of money from the funds of the authority, but a warrant may be issued for the payment of a claim only if the claim has been allowed in accordance with the procedure prescribed by the regulations of the board. All warrants must be countersigned by the president or vice president.

(c) Payroll and similar warrants may be executed with facsimile signatures.

(d) Whenever the treasurer is requested to issue a warrant, he may require evidence that the amount claimed is justly due and in conformity with law and for that purpose may summon before him any officer, agent, or employee of the district, or other person, and examine him under similar oath or affirmation, which oath or affirmation the treasurer may administer.

As added by Acts 1980, P.L.8, SEC.73. Amended by Acts 1980, P.L.79, SEC.7; P.L.19-1987, SEC.26.

IC 8-22-3-21

Annual report of accounts

Sec. 21. The treasurer shall submit to the board annually, and more often if required by the board, a report of the accounts exhibiting the revenues, receipts, and disbursements and the sources from which the revenues and funds are derived and in what manner they have been disbursed.

As added by Acts 1980, P.L.8, SEC.73.

IC 8-22-3-22

Audit of records; submission of records of account

Sec. 22. (a) The state board of accounts shall audit the records of the authority and shall prescribe or approve all accounting forms and records used by the authority.

(b) In addition, the treasurer shall, if required by the board, submit his records of account as treasurer of the authority to a certified public accountant or firm of certified public accountants, as selected by the board, for audit. That person shall prepare and submit a certified account of the records of account to the board exhibiting the revenues, receipts, and disbursements and the sources from which the revenues and funds are derived and in what manner they have been disbursed.

As added by Acts 1980, P.L.8, SEC.73. Amended by Acts 1980, P.L.79, SEC.8.

IC 8-22-3-23

Budget

Sec. 23. (a) The board shall annually prepare a budget for the purpose of operating and maintenance expenditures of the authority and shall calculate the tax levy necessary to provide funds for the operating expenditures necessary to carry out the powers, duties, and

functions of the authority. The budget must be prepared and submitted:

- (1) before or at the same time;
- (2) in the same manner; and
- (3) with notice;

as provided by the statutes relating to the preparation of budgets by eligible entities. The budget is subject to the same review by the county tax adjustment board and the department of local government finance as exists under the general statutes relating to budgets of eligible entities.

(b) If the eligible entity that established the authority is a county, city, or town, the fiscal body of that entity may review and modify the authority's operating and maintenance budget and the tax levy to meet it, in the same manner as the budgets and tax levies of executive departments of that entity are reviewed and modified. This power includes the power to reduce any item of salary.

(c) Whenever a tax levy is required to finance the budget of an authority that was established by a city or town, the fiscal body of the county also may review the budget and tax levy of the authority, unless the district:

- (1) lies wholly within, or coincides with, the boundaries of a city or town;
- (2) is not the recipient of funds from a county-wide tax levy made specifically for the operating and maintenance budget for that authority; and
- (3) was established by the fiscal body of the city or town, acting independently.

However, the budget and tax levy of the authority are subject to review or modification by the fiscal body of the city or town with which it shares territory, in the same manner as the budgets and tax levies of the executive departments of that city or town are reviewed or modified.

(d) If an authority was established by another eligible entity or by two (2) or more eligible entities acting jointly, its operating and maintenance budget and the tax levy to meet it is subject to review and modification by the same body that reviews and modifies the budget of each of those entities in the same manner as the budgets and tax levies of those entities, including reduction of any item of salary.

(e) This subsection applies only to the airport authority established by the city of Gary. The following provisions apply if the board enters into a lease, management agreement, or other contract under an application approved by the Federal Aviation Administration under which the lessee or other operator agrees to lease, manage, or operate all or substantially all of the airport and its landing fields, air navigation facilities, and other buildings and structures owned by the authority:

- (1) The board shall, to the extent permitted by federal law or any grant agreement, make distributions to the city of Gary from the payments received under the lease, management agreement,

or other contract.

(2) The distributions to the city of Gary shall be made in installments and on the dates determined by the fiscal body of the city, and shall be paid to the fiscal officer of the city for deposit in the city's general fund.

(3) Money distributed to the city of Gary under this subsection may be used for any legal or corporate purpose of the city and may not be used to reduce the city's maximum levy under IC 6-1.1-18.5, but may be used at the discretion of the city fiscal body to reduce the property tax levy of the city for a particular year.

(f) The general assembly finds the following:

(1) The city of Gary faces:

(A) unique and distinct challenges due to high levels of unemployment, the character and occupancy of real estate, and the general economic conditions of the community; and

(B) unique and distinct opportunities related to transportation and economic development;

that are different in scope and type than those faced by other units of local government in Indiana.

(2) A unique approach is required to fully take advantage of the economic development potential of the city of Gary, the Gary/Chicago International Airport, and the Lake Michigan shoreline.

(3) The powers and responsibilities provided to the airport authority established by the city of Gary by subsection (e) and the other provisions of this chapter are appropriate and necessary to carry out the public purposes of encouraging economic development and further facilitating the provision of air transportation services and economic development projects in the city of Gary.

(4) The exercise of the powers and responsibilities granted to the airport authority established by the city of Gary by subsection (e) and the other provisions of this chapter is critical to economic development not only in the city of Gary, but throughout northwest Indiana, and is a public purpose.

(5) Economic development benefits the health and welfare of the people of Indiana, is a public use and purpose for which public money may be spent, and is of public utility and benefit.

As added by Acts 1980, P.L.8, SEC.73. Amended by P.L.107-1993, SEC.2; P.L.90-2002, SEC.330; P.L.182-2009(ss), SEC.269.

IC 8-22-3-24

Assessment and collection of tax levy; transfer to authority's cumulative building fund

Sec. 24. The tax levy under section 23 of this chapter, as finally approved by the department of local government finance, must be assessed and collected by the county treasurer of the county or counties within which the district is located as other taxes are levied and collected. The county treasurer shall remit all taxes so collected

to the treasurer of the authority. Each year, the board may transfer to the authority's cumulative building fund an amount not to exceed five percent (5%) of the taxes received under this section in that year.
As added by Acts 1980, P.L.8, SEC.73. Amended by P.L.90-2002, SEC.331; P.L.257-2013, SEC.34.

IC 8-22-3-25

Cumulative building fund; levy and investment of tax; limitations on spending for intrastate air transportation

Sec. 25. (a) Subject to subsection (c), the board may provide a cumulative building fund in compliance with IC 6-1.1-41 to provide for the acquisition of real property, and the construction, enlarging, improving, remodeling, repairing, or equipping of buildings, structures, runways, or other facilities for use in connection with the airport needed to carry out this chapter and to facilitate and support commercial air transportation.

(b) The board may levy in compliance with IC 6-1.1-41 a tax not to exceed:

- (1) thirty-three hundredths of one cent (\$0.0033) on each one hundred dollars (\$100) of assessed value of taxable property within the district, if an eligible entity other than a city established the district or if the district was established jointly with an eligible entity that is not a city;
- (2) one and thirty-three hundredths cents (\$0.0133) on each one hundred dollars (\$100) of assessed value of taxable property within the district, if the authority was established under IC 19-6-3 (before its repeal on April 1, 1980); and
- (3) for any other district not described in subdivision (1) or (2), the tax rate specified in subsection (c).

As the tax is collected it may be invested in negotiable United States bonds or other securities that the federal government has the direct obligation to pay. Any of the funds collected that are not invested in government obligations shall be deposited in accordance with IC 5-13-6 and shall be withdrawn in the same manner as money is regularly withdrawn from the general fund but without further or additional appropriation. The levy authorized by this section is in addition to the levies authorized by section 11 and section 23 of this chapter.

(c) For any district not described in subsection (b)(1) or (b)(2), the board may impose a tax rate that does not exceed the following:

- (1) If the total assessed valuation is three hundred million dollars (\$300,000,000) or less, a tax rate of one and sixty-seven hundredths cents (\$0.0167) per one hundred dollars (\$100) of assessed valuation.
- (2) If the total assessed valuation is more than three hundred million dollars (\$300,000,000) but not more than four hundred fifty million dollars (\$450,000,000), the tax rate necessary to raise property tax revenue equal to the sum of:
 - (A) fifty thousand one hundred dollars (\$50,100); plus
 - (B) the amount that would be raised by applying a tax rate of

one and thirty-three hundredths cents (\$0.0133) (as adjusted under IC 6-1.1-18-12) per one hundred dollars (\$100) of assessed valuation that exceeds three hundred million dollars (\$300,000,000).

(3) If the total assessed valuation is more than four hundred fifty million dollars (\$450,000,000) but not more than six hundred million dollars (\$600,000,000), the tax rate necessary to raise property tax revenue equal to the sum of:

(A) fifty-nine thousand eight hundred fifty dollars (\$59,850); plus

(B) the amount that would be raised by applying a tax rate of one cent (\$0.01) (as adjusted under IC 6-1.1-18-12) per one hundred dollars (\$100) of assessed valuation that exceeds four hundred fifty million dollars (\$450,000,000).

(4) If the total assessed valuation is more than six hundred million dollars (\$600,000,000) but not more than nine hundred million dollars (\$900,000,000), the tax rate necessary to raise property tax revenue equal to the sum of:

(A) sixty thousand dollars (\$60,000); plus

(B) the amount that would be raised by applying a tax rate of sixty-seven hundredths of a cent (\$0.0067) (as adjusted under IC 6-1.1-18-12) per one hundred dollars (\$100) of assessed valuation that exceeds six hundred million dollars (\$600,000,000).

(5) If the total assessed valuation is more than nine hundred million dollars (\$900,000,000), the tax rate necessary to raise property tax revenue equal to the sum of:

(A) sixty thousand three hundred dollars (\$60,300); plus

(B) the amount that would be raised by applying a tax rate of thirty-three hundredths of a cent (\$0.0033) (as adjusted under IC 6-1.1-18-12) per one hundred dollars (\$100) of assessed valuation that exceeds nine hundred million dollars (\$900,000,000).

(d) Spending under subsection (a) to facilitate and support commercial intrastate air transportation is subject to a maximum of one million dollars (\$1,000,000) cumulatively for all years in which money is spent under that subsection.

As added by Acts 1980, P.L.8, SEC.73. Amended by Acts 1980, P.L.78, SEC.3; Acts 1981, P.L.11, SEC.69; Acts 1981, P.L.45, SEC.7; P.L.19-1987, SEC.27; P.L.3-1990, SEC.43; P.L.17-1995, SEC.11; P.L.6-1997, SEC.138; P.L.91-1997, SEC.1; P.L.2-1998, SEC.36; P.L.1-1999, SEC.23; P.L.1-1999, SEC.24; P.L.224-2003, SEC.281; P.L.139-2013, SEC.3; P.L.166-2014, SEC.38.

IC 8-22-3-26

Board to act as board of finance

Sec. 26. The board shall act as a board of finance under IC 5-13. *As added by Acts 1980, P.L.8, SEC.73. Amended by P.L.19-1987, SEC.28.*

IC 8-22-3-27**Officers' and employees' bonds**

Sec. 27. The board may require a bond from any of the officers or employees of the authority in an amount, upon terms and conditions, and with surety that the board designates.

As added by Acts 1980, P.L.8, SEC.73.

IC 8-22-3-28**Public necessity and benefit; tax exemption of leasehold interests**

Sec. 28. (a) The acquisition, establishment, construction, improvement, equipment, maintenance, control, and operation of airports and landing fields for aircraft under this chapter is a governmental function of general public necessity and benefit, and is for the use and general welfare of all the people of Indiana, as well as of the people residing in the district.

(b) Notwithstanding any other statute, the leasehold estate of any lessee created pursuant to a lease by the board of its aviation related property or facilities, together with any permanent structure erected on the property by the lessee is exempt from property taxation.

(c) This subsection applies to property, facilities, or permanent structures leased by the board of an airport authority established for a county containing a consolidated city. Notwithstanding subsection (a), any property, facilities, or permanent structures subject to a lease entered into or renewed after July 1, 1995, is not entitled to a property tax exemption if the property, facility, or structure is not used for aviation related purposes.

As added by Acts 1980, P.L.8, SEC.73. Amended by P.L.60-1988, SEC.21; P.L.116-1995, SEC.7.

IC 8-22-3-29**Assistance to other entity or authority**

Sec. 29. Whenever the fiscal body of an eligible entity determines that the public interest of the entity will be served by assisting any other entity or an authority in executing the powers granted by this chapter, the former entity may furnish assistance by gift, or lease with or without rental, of real property, by donation, lease with or without rental, or loan, of personal property, and by the appropriation of monies, which may be provided for by taxation or the issuance of bonds in the same manner as funds might be provided for the same purpose if the entity was exercising the powers granted in its own behalf.

As added by Acts 1980, P.L.8, SEC.73.

IC 8-22-3-30**Expenses before tax collection**

Sec. 30. (a) All expenses incurred by the board that must be paid prior to the collection of taxes levied under this chapter shall be met and paid in the following manner. The board shall from time to time certify the items of expense to the controller of the city, clerk-treasurer of the town, or auditor of the county in which the

district is located, directing him to pay the amounts, and the fiscal officer shall draw his warrant or warrants upon the treasurer of the city, town, or county, as applicable, which warrant or warrants shall be paid out of the general funds of the city, town, or county not already appropriated, without special appropriations being made by the fiscal body or approval by any other body.

(b) In case there are no unappropriated general funds of the city, town, or county, the fiscal officer shall recommend to the fiscal body the temporary transfer, from other funds of the city, town, or county, of a sufficient amount to meet the items of expense or the making of a temporary loan for the purpose. The fiscal body affected shall immediately make the transfer of funds or authorize the temporary loans in the same manner that other transfers and temporary loans are made by the city, town, or county. The total amount to be advanced may not exceed fifty thousand dollars (\$50,000) and the fund or funds of the city, town, county, or other entity from which the advancement is made shall be fully reimbursed and repaid by the authority out of the first proceeds of the special taxes levied under this chapter. No part of the funds advanced may be used in the acquisition of real property.

As added by Acts 1980, P.L.8, SEC.73.

IC 8-22-3-31

Federal, public, or private grants of funds

Sec. 31. (a) The authority, acting by and through its board under IC 8-21-8, may accept, receive, and receipt for federal, other public, or private monies for the acquisition, construction, enlargement, improvement, maintenance, equipment, or operation of airports, other air navigation facilities, and sites for them, and comply with federal laws made for the expenditure of federal monies upon airports and other air navigation facilities.

(b) Subject to IC 8-21-8, the board has exclusive power to submit to the proper state and federal agencies applications for grants of funds for airport development and to make or execute representations, assurances and contracts, to enter into covenants and agreements with state or federal agency or agencies relative to the development of an airport, and to comply with all federal and state laws pertaining to the acquisition, development, operation, and administration of airports and properties by the authority.

(c) This subsection applies only to the airport authority established by the city of Gary. The authority may assign the powers described in this section to a lessee or other operator with whom it enters into a lease, management agreement, or other contract under section 11(a)(20) of this chapter if the board has determined that the lessee or other operator has the expertise and experience to operate the facilities of the authority in accordance with prudent airport operating standards.

As added by Acts 1980, P.L.8, SEC.73. Amended by P.L.182-2009(ss), SEC.270; P.L.166-2014, SEC.39.

IC 8-22-3-32

Violations; offense

Sec. 32. A person who recklessly violates this chapter commits a Class B misdemeanor.

As added by Acts 1980, P.L.8, SEC.73.

IC 8-22-3-33

Transfer of powers and duties to airport authority

Sec. 33. (a) On the date of the organization and first meeting of the board of an authority, all powers, rights, and obligations, airports and landing fields, and administrative functions within the jurisdiction of a duly constituted board of aviation commissioners existing within the district of the authority are transferred to and vested in the board of the authority. The board of aviation commissioners is then dissolved and the terms of its members terminated.

(b) All books, plans, records, maps, and all other personal property of the dissolved board of aviation commissioners become the property of the authority. The authority takes title to and ownership of all accounts receivable and all contracts and other assets of the aviation department of a city, town or county within the district, including all monies held for use of the aviation department whether appropriated or not. The authority is obligated for all debts and other obligations of the aviation department, including the obligation to pay the unpaid balance of the principal and interest of any bonds of the city, town, or county, to the extent the monies of the bonds were expended in the capital investment of an airport transferred to the authority.

As added by Acts 1980, P.L.8, SEC.73.

IC 8-22-3-34

Special police; powers

Sec. 34. (a) The special police authorized by this chapter possess all the common law and statutory powers of the police of the entity that established the authority by ordinance, including the power of fresh pursuit upon adjoining streets and roads.

(b) An operator (as defined in IC 5-23-2-8) who enters into an operating agreement with an authority under IC 5-23 may exercise the special police powers granted by this section during the term of the operating agreement. A person employed by an operator to exercise special police powers under this subsection must have training that is at least equivalent to the minimum training requirements established for law enforcement officers under IC 5-2-1.

(c) This section does not apply to an authority that was established under IC 19-6-3 (before its repeal on April 1, 1980).

As added by Acts 1980, P.L.8, SEC.73. Amended by P.L.3-1990, SEC.44; P.L.84-1996, SEC.1; P.L.49-1997, SEC.37.

IC 8-22-3-35

Sale of aviation land, buildings, or improvements

Sec. 35. In the event the board of an authority determines to sell

part or all of the aviation land, buildings, or improvements owned by the authority, it may enact an ordinance authorizing the sale in accordance with this chapter. The land, buildings, or improvements must be sold as other land, buildings, or improvements of an eligible entity are sold. This section does not apply to an authority that was established under IC 19-6-2 or IC 19-6-3 (before their repeal on April 1, 1980).

As added by Acts 1980, P.L.8, SEC.73. Amended by P.L.3-1990, SEC.45.